

**CALIFORNIA INDUSTRIAL DEVELOPMENT FINANCING ADVISORY COMMISSION  
INDUSTRIAL DEVELOPMENT BONDS**

**Meeting Date: November 19, 2008**

***Request for Approval of Initial and Final Resolution for Issuance of Tax-Exempt and Taxable Bonds, and Resolution for Tax-Exempt Bond Allocation***

Prepared by: *Deanna Hamelin*

<b>Issuer:</b>	Industrial Development Authority, Alameda County	<b>Amount</b>	\$6,630,000 TE
<b>Borrower:</b>	Grant Avenue Partners and/or a related entity	<b>Requested:</b>	\$1,145,000 TX
<b>User:</b>	Golden West Paper Converting Corporation and/or a related entity	<b>Application</b>	08-0019
<b>Location:</b>	City of San Lorenzo (Alameda County)	<b>No.:</b>	
		<b>IR &amp; FR</b>	08-0019
		<b>No.:</b>	
		<b>Allocation</b>	08-0019A
		<b>Resolution</b>	
		<b>No.:</b>	

**Borrower/User/Background:** Grant Avenue Partners (the Borrower) and Golden West Paper Converting Corporation (the User or the Company) were formed or incorporated in California in September 2008 and in 1984, respectively. The Borrower is a partnership formed by Henry Hooi (33.3%), David Hooi (33.3%) and Shirley Hooi (33.4%). The Company is owned by Koon Hooi (20%), Choi Hooi (20%), Henry Hooi (30%) and David Hooi (30%).

The Company is a manufacturer/converter of disposable paper food service products such as food pails (take-out cartons), food trays and paper dinner napkins. All items are made from recycled paper board and waste paper. Scrap paper left over from the manufacturing process also is recycled. The Company's major customers include Danielsen Food Company, Canton Food Company, Giant Union Company, Chin's Import/Export Company and ASR Food Service Corp.

**Project Information:** The Borrower currently owns, and the User currently occupies, a 42,000 square-foot manufacturing building in San Lorenzo. In addition, Golden West Paper rents two additional buildings in San Lorenzo to house raw materials.

The Project consists of: the purchase of land with a vacant, 85,000 square-foot building, approximately one-block away from the Company's current facility; renovation of the existing building; and the purchase and installation of new equipment. The renovation will include the addition of electrical capacity to power printing presses and related equipment, the installation of new air handling and vacuum systems, and the replacement of the roof.

The larger building will accommodate all of the Company's manufacturing, operations and storage needs in one location, including the addition of a new printing press for the expansion of a line of disposable paper food trays and boxes. In addition, the Company currently is storing paper machinery offsite due to the size constraints of its current facility. With the larger building, the Company will be able to put this machinery into production. Overall, the Project is expected to double the Company's manufacturing capacity.

**Anticipated Timeline:** The sale of the property is expected to close escrow on November 25, 2008. The renovation portion of the Project and the equipment purchases are expected to begin after the November 2008 bond closing in November 2008 and to be completed in February 2009.

**Prior Actions/Financing:** None.

**Statutory Criteria:** 1) Public Benefits, 2) Relocation, and 3) Bond Issue Qualification: Staff has awarded points based on its evaluation of the Project under CDLAC guidelines. Not all statutory criteria are part of the CDLAC point scheme.

**PUBLIC BENEFITS:** Consistent with CDLAC guidelines, staff awarded the Project a total of 28 verifiable points. Although none of the 28 points is based on the creation or retention of jobs, the Company currently has 42 direct, full-time employees and anticipates creating 70 additional direct, full-time jobs within two years of Project completion.

**RELOCATION OF COMPANY OPERATIONS (No point evaluation required):**

The Company's operations will remain in the City of San Lorenzo.

**QUALIFICATION OF BOND ISSUANCE (No point evaluation required):** Based on the proposed finance structure, and the application and other materials submitted to CIDFAC for the proposed Project, staff believes the bonds will: (a) be adequately secured; (b) be fair, just and equitable to a purchaser of the bonds; and (c) not work a fraud upon the bond purchaser. Staff's final determination of qualification of the bonds will be subject to its review of final bond documents prior to the issuance of bonds.

**Status Of Permit/Other Required Approvals:**

- On October 7, 2008, Alameda County executed an Inducement Resolution in an amount not to exceed \$7,000,000 in tax-exempt and \$2,000,000 in taxable IDBs for the Project. As of the writing of this report, Alameda County is scheduled to adopt a final resolution for the Project on November 18, 2008.
- A TEFRA hearing was held by the County of Alameda on October 21, 2008. The County noticed and approved the issuance of tax-exempt and taxable bonds in an amount not to exceed \$7,000,000 and 2,000,000, respectively.
- The Project involves the acquisition of land and an existing building, renovation of the existing building, and the acquisition and installation of new equipment. The land is zoned for heavy manufacturing uses. All land use and zoning approvals and permits have been obtained. The Borrower provided confirmation that no additional land use or zoning approvals or permits are required to accommodate the Project.

**Financing Details:**

The tax-exempt IDBs will be sold in a public offering. The bonds will be variable rate with a weekly reset repayable over a 25-year period and will be secured by an irrevocable Letter of Credit issued by Comerica Bank, which at closing will have a Standard and Poor's rating of at least A/A-1.

**CIDFAC Fees:**

In accordance with CIDFAC regulations, the Borrower has paid or will pay CIDFAC an application fee of \$1,250 and a closing fee of up to \$19,437.50.<sup>1</sup>

**Financing team:**

**Issuer:** IDA Alameda County  
**Bond Counsel:** Lofton & Jennings  
**Bond Underwriter:** Westhoff, Cone & Holmstedt  
**Financial Advisor:** Progressive Capital  
**Credit Enhancement Provider:** Comerica Bank  
**Trustee:** U.S. Bank N.A.

**Legal Questionnaire:** Staff reviewed the Borrower/User responses to the questions contained in the Legal Status portion of the Application. The responses did not disclose any information that raises questions concerning the financial viability or legal integrity of the companies.

**Recommendation:** Staff recommends approval of Initial and Final Resolution No. 08-0019 for an amount equal to \$6,630,000 in tax-exempt bonds and \$1,145,000 in taxable bonds and Allocation Resolution No. 08-0019A for an amount equal to \$6,630,000 in tax-exempt IDB allocation for the Issuer for the Golden West Paper Converting Corporation Project. Staff's recommendation is subject to staff analysis and approval of final bond documents and receipt of bond counsel's opinion as set forth in Initial and Final Resolution No. 08-0019.

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<sup>1</sup> California Code of Regulations Title 10, Chapter 8, Article 3, §6070

**GOLDEN WEST PAPER  
CONVERTING CORPORATION  
PROJECT**

**Bond Amount: \$6,630,000 TE  
\$1,145,000 TX**

City of San Lorenzo (Alameda County)

Application No. 08-0019

November 19, 2008

**STAFF SUMMARY – CIDFAC**

**Prepared by:** *Deanna Hamelin*

**ISSUE:** On behalf of Grant Avenue Partners (the Borrower) and Golden West Paper Converting Corporation (the User or the Company), the Industrial Development Authority, Alameda County (IDA or the Issuer) requests approval of the Initial and Final Resolution No. 08-0019 for an amount equal to \$6,630,000 in tax-exempt bonds and \$1,145,000 in taxable bonds and Allocation Resolution No. 08-0019A for an amount equal to \$6,630,000 in tax-exempt IDB allocation. Bond proceeds will be used for the costs associated with the acquisition of land and an existing building, the renovation of the existing building, and the acquisition and installation of new equipment.

**BORROWER/USER:** Grant Avenue Partners and Golden West Paper Converting Corporation were formed or incorporated in California in September 2008 and in 1984, respectively. The Borrower is a partnership formed by Henry Hooi (33.3%), David Hooi (33.3%) and Shirley Hooi (33.4%). The Company is owned by Koon Hooi (20%), Choi Hooi (20%), Henry Hooi (30%) and David Hooi (30%).

The Company is a manufacturer/converter of disposable paper food service products such as food pails (take-out cartons), food trays and paper dinner napkins. All items are made from recycled paper board and waste paper. Scrap paper left over from the manufacturing process also is recycled. The Company's major customers include Danielsen Food Company, Canton Food Company, Giant Union Company, Chin's Import/Export Company, and ASR Food Service Corp.

**Legal Questionnaire.** Staff reviewed the Borrower/User responses to the questions contained in the Legal Status portion of the Application. They did not disclose any information that raises questions concerning the financial viability or legal integrity of the Borrower/User.

**Prior Actions and Financings.** None.

**PROJECT INFORMATION:**

The Borrower currently owns, and the User currently occupies, a 42,000 square-foot manufacturing building in San Lorenzo. In addition, Golden West Paper rents two additional buildings in San Lorenzo to house raw materials.

The Project consists of: the purchase of land with a vacant, 85,000 square-foot building, approximately one-block away from the Company's current facility; renovation of the existing building; and the purchase and installation of new equipment. The renovation will include the

addition of electrical capacity to power printing presses and related equipment, the installation of new air handling and vacuum systems, and the replacement of the roof.

The larger building will accommodate all of the Company's manufacturing, operations and storage needs in one location, including the addition of a new printing press for the expansion of a line of disposable paper food trays and boxes. In addition, the Company currently is storing paper machinery offsite due to the size constraints of its current facility. With the larger building, the Company will be able to put this machinery into production. Overall, the Project is expected to double the Company's manufacturing capacity.

The following is an estimate of how the tax-exempt bond proceeds for the Project will be applied:

Acquisition of Land.....	\$1,625,000
Acquisition of Existing	
Buildings .....	\$3,970,000
Rehabilitation of	
Existing Building.....	\$570,000
Acquisition and	
Installation of New	
Equipment .....	\$330,000
Bond Issuance Expenses ....	\$130,000
Interest During Construction..	<u>\$5,000</u>
<b>Total: .....</b>	<b><u>\$6,630,000</u></b>

The following is an estimate of how the taxable bond proceeds and Borrower's Equity for the Project will be applied:

Acquisition of Land.....	\$730,000
Rehabilitation of	
Existing Building.....	\$80,000
Acquisition and Installation	
Of New Equipment.....	\$670,000
Bond Issuance Expenses .....	<u>\$90,000</u>
<b>Total: .....</b>	<b><u>\$1,570,000</u></b>

**Anticipated Timeline.** The sale of the property is expected to close escrow on November 25, 2008. The renovation portion of the Project and the equipment purchases are expected to begin after the bond closing in November 2008 and to be completed in February 2009.

**Status Of Permit/Other Required Approvals:**

- On October 7, 2008, Alameda County executed an Inducement Resolution in an amount not to exceed \$7,000,000 in tax-exempt and \$2,000,000 in taxable IDBs for the Project. As of the writing of this report, Alameda County is scheduled to adopt a final resolution for the Project on November 18, 2008.
- A TEFRA hearing was held by the County of Alameda on October 21, 2008. The County noticed and approved the issuance of tax-exempt and taxable bonds in an amount not to exceed \$7,000,000 and 2,000,000, respectively.
- The Project involves the acquisition of land and an existing building, renovation of the existing building, and the acquisition and installation of new equipment. The land is zoned for heavy manufacturing uses. All land use and zoning approvals and permits have been obtained. The

Borrower provided confirmation that no additional land use or zoning approvals or permits are required to accommodate the Project.

**STATUTORY CRITERIA:** 1) Public Benefits, 2) Relocation and 3) Bond Issue Qualification. Staff has awarded points based on its evaluation of the Project under CDLAC guidelines. Not all statutory criteria are part of the CDLAC point scheme.

- 1) **PUBLIC BENEFITS:** Staff assigned a total of 28 verifiable points to the Project as detailed below:

**Community Economic Need (5 points)**

**Unemployment Rate of the Project Area (0 points):** No points were awarded for the unemployment rate of the Project area. In accordance with CDLAC procedures, points are awarded in this category if the 2007 unemployment rate of the county sub-area in which the Project is located is at least 125% of the 2007 statewide rate. In this case, the 2007 unemployment rate of the project area was 3.3%, which is 61% of the 2007 statewide rate of 5.4%.

**Poverty Rate of Project Area (0 points):** In accordance with CDLAC procedures, the most recent data from the U.S. Bureau of the Census, which in this case is Census 2000 data, is used to determine if the Project qualifies for points in this category. The poverty rate for this Project area is 3.3%, which is 31% of the Census 2000 statewide rate of 10.6%. Therefore, the Project does not qualify for points in this category.

**Special Designation Area (5 points):** The Project is located in the Eden Redevelopment Project Area of Alameda County.

**Median Family Income (0 points):** In accordance with CDLAC procedures, the most recent data from the U.S. Bureau of the Census, which in this case is from Census 2000, is used to determine if the Project qualifies for points in this category. The Project is located in San Lorenzo, census tract 4359, where the average median family income is \$61,854. Given that the Census 2000 median family income for the State of California is \$53,025, the median family income for the Project area is 116.7% of the Census 2000 statewide average, which does not qualify the Project for points in this category.

**Employment Benefits (Job Creation and/or Job Retention = 0 points)** Although this Project was not awarded points for job creation or job retention, the Company represents that it currently employs 42 individuals and anticipates hiring an 70 additional direct, full-time employees within two years of Project completion.

**Welfare-to-Work Plan (5 points):** The Company provided a letter from Yolanda Baldovines, Interim Director of the Alameda County Social Services Agency, indicating its participation in the County's CalWORKs program. (See Attachment A.)

**Health Care Benefits (5 points):** The Company provided documentation that it contributes to the medical insurance for 2 of its 42 employees. The contribution computes to an average of \$586 per month toward the health care benefits for each employee. The uncovered employees opted out of the Company's health care plan for personal reasons. The Company will offer health care benefits to the employees it plans to hire within two years of Project completion.

**Average Hourly Wage (0 points):** In accordance with CDLAC procedures, the most recent data from the Bureau of Labor Statistics, which in this case is 2007 data, is used to determine if the Project qualifies for points in this category. The Company's average hourly wage is \$13.57, while the Metropolitan Statistical Area (MSA) for the City of Oakland has an average 2007 manufacturing wage of \$18.71. Therefore, the User's average hourly wage is 72.54% of the average manufacturing wage for the Oakland area, which does not qualify the Project for points in this category.

**Land Use/Energy Efficiency/Public Transit Corridor (10 points):**

**Land Use (5 points):** This Project involves the reuse of a vacant building with developed infrastructure.

**Energy Efficiency (0 points):** No information was provided concerning the energy efficiency of the Project.

**Public Transit Corridor (5 points):** The Company provided verification that the Project site is located in a public transit corridor. A Wheels bus route is within ½ of a mile from the Project site. The Alameda County Transit system connects to BART, which provides access throughout the East Bay and much of the San Francisco Bay Area.

**Leveraging (3 points):** The total Project cost is \$8,200,000, of which \$6,630,000 will be refinanced with tax-exempt IDB financing. The remaining Project costs will be covered by \$1,145,000 in taxable bond proceeds and \$425,000 from Borrower's equity.

- 2) **RELOCATION OF COMPANY OPERATIONS (No point evaluation required):** The Company's operations will remain in the City of San Lorenzo.
- 3) **QUALIFICATION OF BOND ISSUANCE (No point evaluation required):** Based on the proposed financial structure and the application and other materials submitted to CIDFAC for the proposed Project, staff believes the bonds that will be issued in connection with the Project will: (a) be adequately secured; (b) be fair, just, and equitable to a purchaser of the bonds; and (c) not work a fraud upon the bond purchaser. Final determination of qualification of the bonds will be subject to review of final bond documents prior to the issuance of bonds.

**FINANCING DETAILS:** The tax-exempt IDBs will be sold in a public offering. The bonds will be variable rate with a weekly reset repayable over a 25-year period and will be secured by an irrevocable Letter of Credit issued by Comerica Bank, which at closing will have a Standard and Poor's rating of at least A/A-1.

**CIDFAC FEES:**

In accordance with CIDFAC regulations the Borrower has paid or will pay CIDFAC an application fee of \$1,250 and a closing fee of up to \$19,437.50.<sup>2</sup>

**FINANCING TEAM:**

**Issuer:** IDA Alameda County  
**Bond Counsel:** Lofton & Jennings  
**Bond Underwriter:** Westhoff, Cone & Holmstedt  
**Financial Advisor:** Progressive Capital  
**Credit Enhancement Provider:** Comerica Bank  
**Trustee:** U.S. Bank N.A.

**RECOMMENDATION:**

Staff recommends approval of Initial and Final Resolution No. 08-0019 for an amount equal to \$6,630,000 in tax-exempt bonds and \$1,145,000 in taxable bonds and Allocation Resolution No. 08-0019A for an amount equal to \$6,630,000 in tax-exempt IDB allocation for the Issuer for the Golden West Paper Converting Corporation Project. Staff's recommendation is subject to staff analysis and approval of final bond documents and receipt of bond counsel's opinion as set forth in Initial and Final Resolution No. 08-0019.

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<sup>2</sup> California Code of Regulations Title 10, Chapter 8, Article 3, §6070



INITIAL AND FINAL RESOLUTION  
OF THE  
CALIFORNIA INDUSTRIAL DEVELOPMENT FINANCING  
ADVISORY COMMISSION (CIDFAC)  
INDUSTRIAL DEVELOPMENT BONDS  
IR/FR #: 08-0019

WHEREAS, the Industrial Development Authority, County of Alameda (the “Applicant”) has transmitted the application of Grant Avenue Partners (the “Project Sponsor”) for the issuance of \$6,630,000 in tax exempt bonds and \$1,145,000 in taxable bonds under the provisions of the California Industrial Development Financing Act, and has transmitted said application to the California Industrial Development Financing Advisory Commission (the “Commission”) and the information necessary to permit review of said application by the Commission, and has informed the Commission that it has adopted a resolution declaring its intention to issue such bonds and that the County of Alameda has held a public hearing regarding the issuance of the bonds and has approved the issuance of the bonds by the Applicant; and

WHEREAS, the Commission has reviewed the application and the materials submitted with the application.

NOW, THEREFORE, the Commission resolves as follows;

Section 1. The Commission, based on its review of the application and the information submitted therewith, does determine that:

(a) the public benefits from the acquisition of the facility described in the application likely will substantially exceed any public detriment from the issuance of the bonds in the total principal amount of \$7,775,000; and

(b) use of the Project described in the application and the operation of the facility described in the application are reasonably necessary to prevent the relocation of substantial

operations of the Project Sponsor from an area within the State of California to an area outside of the State of California.

Section 2. The Commission conditionally finds that the proposed issuance of the bonds qualifies under the provisions of Article 5 of Title 10 of the Government Code, and further finds that:

(a) the bonds will be adequately secured and the funds available to the Applicant will be sufficient to pay the principal of and interest on the bonds to be issued; and

(b) based on its review of the preliminary material submitted to it and as provided for under Government Code Section 91571, the proposed issuance will be fair, just and equitable to a purchaser of the bonds, and that the bonds proposed to be issued and the methods to be used by the Authority in issuing them will not be such as will work a fraud upon the purchaser thereof.

Section 3. The Commission determines that it is appropriate to the proposed transaction that the qualification of the proposed issuance be subject to the following conditions:

(a) the Bond Counsel Opinion, when ready for execution, shall be submitted to Commission staff;

(b) the final legal documents, when ready for execution, shall be submitted to Commission staff for its review. Submitted documents shall include:

- (i) Indenture,
- (ii) Loan Agreement,
- (iii) Bond Purchase Contract,
- (iv) Official Statement,
- (v) Remarketing Agreement,

(vi) Tax Certificate and Agreement, and

(vii) Other documents which, in the opinion of Commission staff, are necessary to the review of the transaction;

(c) the Commission staff shall determine that the final documents associated with the transaction have been developed in form and content substantially similar to the representations in the application on which are based the findings under Section 2. above;

(d) the bonds, when issued, are within the maximum limitation of bonds authorized in the California Industrial Development Financing Act (Section 91573(a) of California Government Code);

(e) the Commission shall receive all applicable fees prior to the issuance of the bonds, unless the bond documents indicate that such fees are to be paid from the proceeds of the bonds; and

(f) the Project Sponsor agrees to comply with Section 91533(l) of the Government Code relating to the payment of prevailing wages.

Section 4. This Resolution shall cease to be effective if the above-described bonds have not been issued within six months after the date of adoption of this Resolution.

Section 5. In compliance with the provision of the California Industrial Development Financing Act (Section 91754 California Government Code), the qualification of the proposed bond issue by this resolution is permissive only, and does not constitute a recommendation or endorsement of the bonds so qualified by the Commission.

**THE CALIFORNIA INDUSTRIAL DEVELOPMENT  
FINANCING ADVISORY COMMISSION  
RESOLUTION NO. 08-0019A  
RESOLUTION TRANSFERRING A PORTION OF THE 2008 STATE CEILING  
FOR QUALIFIED PRIVATE ACTIVITY BONDS FOR A  
SMALL-ISSUE INDUSTRIAL DEVELOPMENT PROJECT**

**WHEREAS**, that the California Debt Limit Allocation Committee (“CDLAC”) awarded allocation to the California Industrial Development Financing Advisory Commission (the “Commission”) for the purpose of awarding a portion of the allocation to local and State issuers; and

**WHEREAS**, the Commission has the authority to transfer a portion of its allocation to local and State issuers; and

**WHEREAS**, the Commission has received an application (“Application”) from the Industrial Development Authority, County of Alameda (“Applicant”) requesting a transfer to the Applicant of a portion of the 2008 State Ceiling on Qualified Private Activity Bonds (the “State Ceiling”) under Section 146 of the Internal Revenue Code of 1986, as amended, for use by the Applicant to issue bonds or other obligations (“Bonds”) for a project as specifically described in Exhibit A (“Project”) (capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Procedures of the CDLAC Implementing the Allocation of the State Ceiling on Qualified Private Activity Bonds (“CDLAC’s Procedures”)); and

**WHEREAS**, the Project Sponsor (as defined in Exhibit A) has represented certain facts and information concerning the Project in the Application, which the Applicant has confirmed; and

**WHEREAS**, in evaluating the Project and potential allocation of a portion of the State Ceiling to the Applicant for the benefit of the Project, the Commission has relied upon the

written facts and information provided in the Application and otherwise by the Project Sponsor and the Applicant; and

**WHEREAS**, it is appropriate for the Commission to make a transfer of a portion of the State Ceiling (“Allocation”) in order to benefit the Project described in the Application.

**NOW, THEREFORE**, the California Industrial Development Financing Advisory Commission resolves as follows:

Section 1. There will be a transfer to the Applicant an amount of the State Ceiling equal to \$6,630,000. Such Allocation may be used only by the Applicant and only for the issuance of Bonds for the Project, as specifically described in Exhibit A. All of the terms and conditions of Exhibit A are incorporated as though fully set forth herein (this resolution, together with Exhibit A, hereinafter referred to as the “Resolution”).

Section 2. The terms and conditions of this Resolution shall be incorporated in appropriate documents relating to the Bonds, and the Project Sponsor, the Applicant and their respective successors and assigns will be bound by such terms and conditions.

Section 3. Any modification to the Project made prior to the issuance of the Bonds must be reported to the Executive Director and, if the Executive Director determines such modification to be material in light of the Commission’s Procedures, such modification shall require reconsideration by the Commission before the Allocation may be used for the Project. Once the Bonds are issued, the terms and conditions set forth in this Resolution shall be enforceable by the Commission through an action for specific performance or any other available remedy, provided however, that the Commission agrees not to take such action or enforce any such remedy that would be materially adverse to the interests of the Bondholders. The Commission may, as circumstances warrant, consent to changes in the terms and conditions set forth in this Resolution in the event the Commission is advised of changes in the Project.

Section 4. Prior to the issuance of the Bonds, any material changes in the structure of the credit enhancement and not previously approved by the Commission shall require approval of the Commission Chair or the Executive Director.

Section 5. The Applicant is not authorized to use the Allocation transferred hereby to make a carryforward election with respect to the Project. The Applicant is not authorized to transfer the Allocation to any governmental unit in the State other than this Commission.

Section 6. The potential Allocation transferred herein shall automatically revert to this Commission unless the Applicant has issued Bonds for the Project by the close of business within 90 days of the award of Allocation. In the case of extreme hardship, the Executive Director may extend this date by up to five (5) business days.

Section 7. Within twenty-four (24) hours of using the Allocation to issue the Bonds, the Applicant shall notify the Commission's staff and CDLAC's staff in writing (which may be by electronic or facsimile communication) that the Allocation has been used. Each notification to the Commission and to CDLAC shall identify the Applicant, the project or program, the date the Allocation was used, and the amount of the Allocation used.

Section 8. Within fifteen (15) calendar days of the issuance of the Bonds, the Applicant or its counsel shall formally transmit to CDLAC information regarding the issuance of the Bonds by submitting, in a form prescribed by and made available by CDLAC a completed Report of Action Taken.

Section 9. Any differences between the amount of Bonds issued and the amount of the Allocation granted in Section 1 of this Resolution shall automatically revert to the Commission. If at any time prior to the expiration date set forth in Section 6 of this Resolution the Applicant determines that part or all of the Allocation will not be used to issue Bonds by that date,

the Applicant shall take prompt action by resolution of its governing board or by action of its authorized officer to return such unused Allocation to the Commission.

Section 10. The staff of the Commission is authorized and directed to transmit a copy of this Resolution to the Applicant together with a request that the Applicant retain, for the term of the Bonds, a copy of this Resolution in the Applicant's official records. The Commission staff is further directed to retain a copy of this Resolution in the files of the Commission (or any successor thereto) for the same period of time.

Section 11. In consideration of the potential Allocation to be transferred to the Applicant and the Project Sponsor, the Applicant and the Project Sponsor shall comply with all of the terms and conditions contained in this Resolution and ensure that these terms and conditions are included in the documents related to the Bonds. Further, the Applicant and the Project Sponsor expressly agree that the terms and conditions of this Resolution may be enforced by the Commission through an action for specific performance or any other available remedy, provided however, that the Commission expressly agrees not to take such action or enforce any such remedy that would be materially adverse to the interests of the Bondholders. In addition, the Applicant and the Project Sponsor shall ensure that the Bond documents, as appropriate, expressly provide that the Commission is a third party beneficiary of the terms and conditions set forth in this Resolution.

Section 12. The Project Sponsor or its successor-in-interest shall provide certifications of compliance with the terms and conditions set forth in this Resolution when reasonably requested by the Commission.

Section 13. This Resolution shall take effect upon its adoption.

**EXHIBIT A**

**RESOLUTION NO: 08-0019A  
(A SMALL-ISSUE INDUSTRIAL DEVELOPMENT PROJECT)**

1. Applicant: IDA County of Alameda
2. Application No.: 08-0019
3. Project Sponsor: Grant Avenue Partners  
and/or a related entity
4. Project User: Golden West Paper Converting  
Corporation and/or a related entity
5. Project Name: Golden West Paper Converting Corporation Project
6. Address: 2480 Grant Avenue  
Location: San Lorenzo, CA 94580  
County: Alameda County
7. Amount of Allocation: \$6,630,000
8. The Project Sponsor has represented that it reasonably expects the User will use its best efforts to achieve the following within two years of the completion of the Project:
  - Participation in Alameda Counties' CalWORKs program; and,
  - The creation of 70 additional, direct full-time jobs.





**Yolanda Baldovinos**  
Interim, Agency Director

Thomas L. Berkley Square  
2000 San Pablo Avenue, Oakland, CA 94612  
510-271-9100 / Fax: 510-271-9108  
[ybaldovi2@co.alameda.ca.us](mailto:ybaldovi2@co.alameda.ca.us)  
[www.co.alameda.ca.us/assistance](http://www.co.alameda.ca.us/assistance)

October 2, 2008

Attn: Eileen Marxen  
Deputy Executive Director  
California Industrial Development Financing Advisory Commission  
915 Capitol Mall, Room 457  
Sacramento, Ca 95814

Dear Ms Marxen:

Golden West Paper Converting has applied for an Industrial Development Bond to expand its operations in San Lorenzo and has expressed an interest in having Alameda County's Welfare-to-Work program assist in identifying, screening and preparing CalWORKs clients to fill the 70 new low-skill jobs that the company hopes to create over the next two years.

Alameda County has staff assigned to work with the business to help make this important connection and make this new project a success for its CalWORKs clients as well as the business.

The linkage of the CalWORKs and the Industrial Development Bond program continues to promote self-sufficiency and stability; provides support to individuals and families; and fosters a workforce development system that increases the economic vitality and human potential of communities through public and private sector partnerships. Therefore Alameda County is committed to both of these initiatives and encourages the approval of the IDB for this project.

Thank you.

Sincerely,

A handwritten signature in cursive script that reads "Yolanda Baldovinos".

Yolanda Baldovinos